



AGREEMENT

by and between

DECKO PRODUCTS, INC.

and

**UNITED STEEL, PAPER
AND FORESTRY, RUBBER,
MANUFACTURING, ENERGY,
ALLIED-INDUSTRIAL,
AND SERVICE WORKERS
INTERNATIONAL UNION
AFL-CIO, CLC**

**On Behalf of Its
LOCAL UNION NO. 1-525**

EFFECTIVE

JUNE 1, 2013 to MAY 31, 2016

K941

1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100, 2101, 2102, 2103, 2104, 2105, 2106, 2107, 2108, 2109, 2110, 2111, 2112, 2113, 2114, 2115, 2116, 2117, 2118, 2119, 2120, 2121, 2122, 2123, 2124, 2125, 2126, 2127, 2128, 2129, 2130, 2131, 2132, 2133, 2134, 2135, 2136, 2137, 2138, 2139, 2140, 2141, 2142, 2143, 2144, 2145, 2146, 2147, 2148, 2149, 2150, 2151, 2152, 2153, 2154, 2155, 2156, 2157, 2158, 2159, 2160, 2161, 2162, 2163, 2164, 2165, 2166, 2167, 2168, 2169, 2170, 2171, 2172, 2173, 2174, 2175, 2176, 2177, 2178, 2179, 2180, 2181, 2182, 2183, 2184, 2185, 2186, 2187, 2188, 2189, 2190, 2191, 2192, 2193, 2194, 2195, 2196, 2197, 2198, 2199, 2200, 2201, 2202, 2203, 2204, 2205, 2206, 2207, 2208, 2209, 2210, 2211, 2212, 2213, 2214, 2215, 2216, 2217, 2218, 2219, 2220, 2221, 2222, 2223, 2224, 2225, 2226, 2227, 2228, 2229, 2230, 2231, 2232, 2233, 2234, 2235, 2236, 2237, 2238, 2239, 2240, 2241, 2242, 2243, 2244, 2245, 2246, 2247, 2248, 2249, 2250, 2251, 2252, 2253, 2254, 2255, 2256, 2257, 2258, 2259, 2260, 2261, 2262, 2263, 2264, 2265, 2266, 2267, 2268, 2269, 2270, 2271, 2272, 2273, 2274, 2275, 2276, 2277, 2278, 2279, 2280, 2281, 2282, 2283, 2284, 2285, 2286, 2287, 2288, 2289, 2290, 2291, 2292, 2293, 2294, 2295, 2296, 2297, 2298, 2299, 2300, 2301, 2302, 2303, 2304, 2305, 2306, 2307, 2308, 2309, 2310, 2311, 2312, 2313, 2314, 2315, 2316, 2317, 2318, 2319, 2320, 2321, 2322, 2323, 2324, 2325, 2326, 2327, 2328, 2329, 2330, 2331, 2332, 2333, 2334, 2335, 2336, 2337, 2338, 2339, 2340, 2341, 2342, 2343, 2344, 2345, 2346, 2347, 2348, 2349, 2350, 2351, 2352, 2353, 2354, 2355, 2356, 2357, 2358, 2359, 2360, 2361, 2362, 2363, 2364, 2365, 2366, 2367, 2368, 2369, 2370, 2371, 2372, 2373, 2374, 2375, 2376, 2377, 2378, 2379, 2380, 2381, 2382, 2383, 2384, 2385, 2386, 2387, 2388, 2389, 2390, 2391, 2392, 2393, 2394, 2395, 2396, 2397, 2398, 2399, 2400, 2401, 2402, 2403, 2404, 2405, 2406, 2407, 2408, 2409, 2410, 2411, 2412, 2413, 2414, 2415, 2416, 2417, 2418, 2419, 2420, 2421, 2422, 2423, 2424, 2425, 2426, 2427, 2428, 2429, 2430, 2431, 2432, 2433, 2434, 2435, 2436, 2437, 2438, 2439, 2440, 2441, 2442, 2443, 2444, 2445, 2446, 2447, 2448, 2449, 2450, 2451, 2452, 2453, 2454, 2455, 2456, 2457, 2458, 2459, 2460, 2461, 2462, 2463, 2464, 2465, 2466, 2467, 2468, 2469, 2470, 2471, 2472, 2473, 2474, 2475, 2476, 2477, 2478, 2479, 2480, 2481, 2482, 2483, 2484, 2485, 2486, 2487, 2488, 2489, 2490, 2491, 2492, 2493, 2494, 2495, 2496, 2497, 2498, 2499, 2500, 2501, 2502, 2503, 2504, 2505, 2506, 2507, 2508, 2509, 2510, 2511, 2512, 2513, 2514, 2515, 2516, 2517, 2518, 2519, 2520, 2521, 2522, 2523, 2524, 2525, 2526, 2527, 2528, 2529, 2530, 2531, 2532, 2533, 2534, 2535, 2536, 2537, 2538, 2539, 2540, 2541, 2542, 2543, 2544, 2545, 2546, 2547, 2548, 2549, 2550, 2551, 2552, 2553, 2554, 2555, 2556, 2557, 2558, 2559, 2560, 2561, 2562, 2563, 2564, 2565, 2566, 2567, 2568, 2569, 2570, 2571, 2572, 2573, 2574, 2575, 2576, 2577, 2578, 2579, 2580, 2581, 2582, 2583, 2584, 2585, 2586, 2587, 2588, 2589, 2590, 2591, 2592, 2593, 2594, 2595, 2596, 2597, 2598, 2599, 2600, 2601, 2602, 2603, 2604, 2605, 2606, 2607, 2608, 2609, 2610, 2611, 2612, 2613, 2614, 2615, 2616, 2617, 2618, 2619, 2620, 2621, 2622, 2623, 2624, 2625, 2626, 2627, 2628, 2629, 2630, 2631, 2632, 2633, 2634, 2635, 2636, 2637, 2638, 2639, 2640, 2641, 2642, 2643, 2644, 2645, 2646, 2647, 2648, 2649, 2650, 2651, 2652, 2653, 2654, 2655, 2656, 2657, 2658, 2659, 2660, 2661, 2662, 2663, 2664, 2665, 2666, 2667, 2668, 2669, 2670, 2671, 2672, 2673, 2674, 2675, 2676, 2677, 2678, 2679, 26

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AGREEMENT

This Agreement made and entered into effective this 1st day of June, 2013, by and between Decko Products, Inc., and/or its successors or assigns (hereinafter referred to as the "Company"), and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied-Industrial, and Service Workers International Union, AFL-CIO, CLC, on behalf of its Local Union No. 1-525 (hereinafter referred to as the "Union").

ARTICLE 1

Recognition

Section 1: The Company hereby recognizes the Union as the sole bargaining agent for all production and maintenance employees who are now on the payroll and all such employees, who, in the future, are employed and placed on the payroll by the Company, except as provided in Section 2 of this article; and shall negotiate only with the accredited representatives thereof, chosen by the Union for the purpose of settling any disputes which may arise concerning wages, rates of pay, working conditions, hours, and any other conditions of employment which may now exist, or may arise in the future on any of these matters as defined in the National Labor Relations Act, as amended.

Section 2: The term "employee" or "employees" as used in this Agreement, shall include all production and maintenance employees of the Company, except office clerical employees, the janitor and the sweeper, guards, professional employees and supervisors as defined in the National Labor Relations Act, as amended. The Company shall furnish the Union a list of all persons not classified as employees. Any dispute over such a list shall be settled jointly between the Union and the Company.

Section 3: The Company agrees that its employees shall have the right to self-organize, to form, join or assist labor organizations, to

bargain collectively through representatives of their own choosing, and to engage in concerted activities, for the purpose of collectively bargaining or other mutual aid or protection.

Section 4: The Company agrees that there shall be no discrimination against any employee or employees, because of Union membership, and it will not aid, finance, support or recognize any individual, organization, employee or group of employees in any manner that will destroy, threaten, or otherwise adversely affect the Union's sole and exclusive collective bargaining status with the Company.

Section 5: All present employees covered by this Agreement who are members of the Union on the effective date of this section shall remain members in good standing as a condition of employment. All present employees who are not members of the Union on the effective date of this section, and all employees who are hired hereafter, shall become and remain members of the Union in good standing as a condition of employment at the end of their probationary periods as set forth in Article 5, Section 4.

Section 5.1: Upon proof that an employee is not a member of the Union because of non-payment of dues, the Company, upon receipt of written notice of this fact from the Union, shall notify the employee of its intent to discharge that employee if his/her dues to the Union are not paid in full within fifteen (15) calendar days. If the employee's dues are not paid in full within

the fifteen (15) calendar days, the Company shall discharge the employee, provided, however, that nothing contained herein shall require the Company to take any action that violates the National Labor Relations Act.

Section 6: In the event the Company adds to its present manufacturing facilities, in the way of added space and/or purchase, lease or rent of additional property or buildings, the Company agrees that the terms of this Agreement shall prevail and cover all employees engaged by the Company in such a new undertaking; provided, however, that the foregoing provisions shall apply only to such new facility of the Company as shall be located within a twenty-five (25) mile radius of the Erie County Courthouse.

Section 7: The management and control of the Company and the direction of the working forces, including the right to plan, direct and control Company operations, the right to make technological changes when necessary for efficient operations, the products to be manufactured, the standards of quality to be maintained, the methods of production and processing, the kind and operation of machinery and equipment, the right to hire, suspend or discharge for proper cause, and the right to transfer or relieve employees from duty because of lack of work or other legitimate reasons, and the right to formulate, revise and implement plant rules and regulations, including an attendance improvement program, and to require employees to observe and obey

such plant rules and regulations are vested exclusively in the Company, subject only to the Seniority Rules, Grievance Procedure, and other provisions of this Agreement and State and Federal Laws.

ARTICLE 2

Check off

Section 1: The Company will deduct from the pay of each employee covered by this Agreement all Union initiation fees, dues, voluntary PAC contributions and assessments, providing the employee gives the Company written authorization to make such deductions.

Section 2: The Company agrees to deduct Union initiation fees, dues and assessments on a weekly basis and any and all sums deducted by the Company from the wages of employees as initiation fees, dues and assessments for the Union shall be kept separate and apart from the Company's general funds.

Section 3: The Union shall notify the Company of the total amount to be deducted for each pay period and the Company will make available to the International Secretary/Treasurer of the Union, a monthly completed summary of USW Form 115 or its equivalent. The Union will be notified of the amount transmitted for each employee (including the hours and earnings used in the calculation of such amount) and the reason for non-transmission, such as in the case of layoff, discharge, resignation, leave of absence, sick leave, retirement, death or insufficient earnings. The information provided will include the month, names of the Union members, their clock or employee number, and total earnings for the pay period.

Section 4: All sums deducted by the Company for the local Union shall be remitted to the International Union no later than ten (10) days following the last dues deduction of the month. Such remitted funds shall include the name of the Company, Local and month.

Section 5: In the event of an overcharge to an employee, in any of the aforementioned deductions by the Company, and such overcharge has been remitted to the International Union, the Local Union shall be responsible for the adjustments of such claims with the employee involved. In the event of an undercharge by the Company under the same circumstances, the Company shall make the necessary deductions on the next succeeding pay period, and immediately remit the amount of such undercharge to the International Secretary/Treasurer.

Section 6: The Union shall indemnify and save the Company and its managers and officers harmless against any and all claims, demands or other forms of liability that might arise out of or by reason of action taken by the Company for the purpose of complying with any of the provisions of this Article.

ARTICLE 3

Representation

Section 1: For the purposes of collective bargaining, the employees shall be represented as follows:

- (A) By stewards representing the employees in appropriate groups or departments.
- (B) By a shop bargaining committee of three (3) members of the Union representing all employees. (Reference to committee person shall be the same as shop bargaining person.)
- (C) By international representatives and/or international officers.

These representatives of the Union shall be selected in any manner determined by the Union.

Section 2: Any time spent by a steward or a bargaining committee person attending a grievance meeting with representatives of Company management or attending other labor management meeting at the request of the Company shall be considered as time worked.

ARTICLE 4

Grievance Procedure

Section 1: The following steps shall be recognized as the agreed method of resolving differences that may arise between the Company and Union or its members employed by the Company regarding the interpretation or application of any of the provisions of this Agreement.

Step 1: Any employee having a grievance shall first take the matter up verbally with his/her supervisor, who shall attempt to adjust the matter. If the employee wishes, he/she may request a steward to attend this meeting. However, if any such grievance is not submitted to the supervisor within five (5) scheduled work days of the affected employee after the event which gives rise to the grievance, the grievance shall be considered barred and completely disposed of from the standpoint of the affected employee, the Union and the Company.

Step 2: If the steward is unable to adjust the grievance in the department with the supervisor he/she shall reduce the grievance to writing and submit the written grievance to the Production Manager within three (3) scheduled work days after the initial meeting with the supervisor, or the grievance shall be considered barred and completely disposed of from the standpoint of the affected employee, the Union and the Company. Not later than

one (1) week after the written grievance is received by the Production Manager, the Company's General Manager and Production Manager shall meet with the Bargaining Committee and, if either party requests, the affected employee in an attempt to settle the controversy. Such meetings of the General Manager and Production Manager with the bargaining committee shall be arranged whenever such unresolved grievances are pending. The Company will provide a written answer to the bargaining committee within fifteen (15) calendar days from the date of the step 2 meeting.

Step 3: Cases which cannot be satisfactorily settled otherwise will be reviewed jointly by the General Manager and an international representative of the Union along with the Bargaining Committee, with such additional representatives as either party may desire. Any such 3rd Step meeting must be held within thirty (30) calendar days from the date of the Company's 2nd Step answer. The Company will provide a written answer to the international representative of the Union within fifteen (15) calendar days from the date of the 3rd Step meeting.

Step 4: Should any grievance remain unresolved after passing through the steps of the Grievance Procedure as outlined above, the Union or the Company may submit such a grievance to arbitration. The Party requesting arbitration must give written notice of such

request to the other party and to the Federal Mediation and Conciliation Service within thirty (30) days from the date of the Step 3 answer or the grievance is deemed resolved.

Section 2: All arbitrators shall be selected and all arbitration hearings shall be conducted in accordance with the Rules of Voluntary Labor Arbitration of the Federal Mediation and Conciliation Services, provided that the panel of seven (7) prospective arbitrators must all be members of the National Academy of Arbitrators. The arbitrator shall have no power to add to, subtract from, or in any manner alter the specific terms of this Agreement or to make any award requiring the commission of any act prohibited by law or make any award that is contrary to law or violates any of the terms and conditions of this Agreement. The award of the Arbitrator shall be binding on both parties.

Section 3: Regardless of the outcome of any matter submitted to arbitration, the costs of such arbitration shall be borne equally by the Company and the Union. Charges of stenography fees and expenses shall be borne by the parties ordering such service.

Section 4: Any committee person, steward or the president of the local Union will be permitted to leave their department with prior notification and approval of the supervisor in their department to investigate grievances not in their own department. The Company and the Union shall cooperate to the end that such

Union representatives shall not leave their posts at such time or under such circumstances that doing so will interrupt or materially curtail the operations of their department.

Section 5: The settlement of all grievances shall be reduced to writing, in words agreeable to both parties, and shall be written on or attached to each copy of the written grievance, and be signed by the representative involved.

Section 6: Any grievance resulting from a discharge will be entered directly into Step 2 of agreement, except the requirement that a grievance be submitted within five (5) scheduled work days of the date of the event or discharge which gives rise to the grievance.

Section 7: All time limits referenced in this Article may be extended by written mutual agreement, except the requirement that a grievance be submitted within five (5) scheduled work days of the date of the event or discharge which gives rise to the grievance.

ARTICLE 5

Seniority

Seniority is defined as preference in employment based on the length of continuous service with the Company under the provisions of this Agreement. The qualifications and ability of the employee to perform the work involved on any job shall be determined by the Company in accordance with the provisions of this Agreement.

Section 1: Plant-wide seniority shall apply except as specifically mentioned elsewhere herein.

Section 1.1: Super-seniority – Three (3) employees as determined by the Union, (the bargaining committee) who will represent the Union in the administration of this contract, have been assigned super-seniority and shall have seniority during their term of office first over all other employees and jobs other than the Kitchen Technician, CCD Machine Operators positions, Stockroom Leader, Small Scale, **Large Scale, Tub Mixer, Tub Scaler, Tubing 2 Sparkle Gel Cook, Tubing 3 Cook and Tubing Machine Operator positions**, and Utility Relief, whenever layoffs or recalls are involved provided they are qualified to perform the work. The Union will furnish the Company with a list of such individuals which shall not exceed three (3) in number. **The protected job referenced herein will be available for the application of super-seniority if there is not**

a bid holder in the job.

In the event of a layoff or recall within the super-seniority employees, it is understood and agreed that the president shall hold the highest super-seniority and the two (2) bargaining committee persons shall follow by natural seniority. In the event less than three (3) employees are to work, they shall work in the following order: First to work, president; Second to work (if needed), committee persons by natural seniority.

On a current shift or additional shifts implemented by the Company where no member of the bargaining committee is assigned to such shift, one (1) additional Union representative to be considered a steward shall head their respective seniority list. The super-seniority shall apply only in the event of layoff or recall.

Section 2: A plant-wide seniority list of all employees shall be maintained and kept up-to-date by the Company and copies shall be furnished to the bargaining committee and the president of the Union upon request.

Section 3: A full-time employee is defined as one who has accepted employment with the understanding that he/she will work a regular schedule of forty (40) hours per pay week if a first or second shift employee and a regular schedule of thirty-five (35) hours per pay week if a third shift employee, if work is available.

Section 4: Probationary Employees -- New employees shall be hired on a "probationary" status for a period of forty-five (45) days worked. During or at the end of said probationary period, the Company shall have the right to terminate any probationary employee at will, and such termination shall not be subject to the provisions of the grievance procedures contained in this Agreement.

During the probationary period, an employee has no seniority standing and will be subject to transfer, demotion, layoff or discharge at the sole discretion of the Company.

Upon satisfactory completion of the probationary period, the employee will be placed on the seniority list and his/her seniority will be measured from the date of hire.

If at the end of the forty-five (45) day probationary period either the Company or Union believe that an employee warrants an additional fifteen (15) days probation, it shall be granted upon mutual agreement of both parties. Employees successfully completing the additional fifteen (15) days will be placed on the seniority list as of the employee's date of hire. Employees will receive any contractual benefit they would have been entitled to as of the end of the original forty-five (45) day probationary period.

During the probationary period, employees shall have no seniority or other rights under this Agreement. When two (2) or more persons

complete their probationary period on the same day, their respective seniority dates shall be established alphabetically, A through Z, based upon the spelling of the employee's last name at the time of hiring.

Section 5: Temporary Employees

1) The Company shall have the right to use temporary employees to work in job classifications in any department to cover for employees during Christmas, holidays, vacations, leaves of absence, voluntary layoff, as absenteeism replacement and for increases in production levels as long as no qualified available bargaining unit employee is out of the plant because such employee was not assigned a job in accordance with the Job Assignment Procedure.

2) The total number of temporary employees used at the plant during any contractual year shall not exceed **one thousand (1,000)** temporary employee shifts. A temporary employee shift is defined as one (1) temporary employee working **four (4)** or more hours. The Company will provide the local union president with a written account of the number of temporary employees and temporary employee shifts that the Company has used each week by Friday of the following work week. **The written account will also include the name of the temporary employee and the initial assigned departments.**

3) Temporary employees shall not accumulate

seniority nor shall they be entitled to any holiday, vacation, insurance benefits or payments, or other fringe benefits under this Agreement. However, temporary employees shall be subject to the same plant rules of conduct, plant regulations, and good manufacturing practices as the regular bargaining unit employees.

4) During each contractual year, the Company agrees to hire one (1) regular bargaining unit employee for every four hundred (400) total temporary employee shifts that have been worked by temporary employees during such contractual year. If such regular bargaining unit employee has worked forty-five (45) days of actual work at the plant as a temporary employee, such regular bargaining unit employee will not be required to serve a probation period and must immediately join the Union and be given credit for seniority beginning their first day working as a regular bargaining unit employee.

Section 6: If any former employee whose seniority has been terminated prior to the effective date of this Agreement is rehired, he/she shall be treated for all purposes under this Agreement, as a new employee.

Section 7: Seniority and ability, as determined by the Company, shall apply to all cases of layoff, recall, job bidding, and job assignment under the Job Assignment Procedure.

Section 8: Job Assignment Procedures – The Company shall apply the Job Assignment

Procedure as set forth in the Letter of Understanding on Job Assignments for daily assignment of employees to jobs that are available on the schedule.

Section 8.1: Voluntary Layoff Week – voluntary layoff week is a week (Sunday through Saturday) in which an employee can request to be laid off and not be eligible or required to work under the Job Assignment Procedure. The Company shall determine, in its sole discretion, the number of employees, if any, who may be granted a voluntary layoff week based upon planned production and previously scheduled vacations. In order to request a voluntary layoff week, an employee must submit a written request to the Production Manager by 6:00 p.m. on the Tuesday before the week for which the employee requests a voluntary layoff. The Company will grant or not grant the request by providing a written response to the employee by 6:00 p.m. on the Wednesday before the week for which the employee requests a voluntary layoff. Any voluntary layoff week requests for the same week granted by the Company will be granted in order of plant wide seniority.

Section 8.2: Temporary Send Home (Send Home of Less than One Work Shift) – When a temporary send home is necessary due to a shortage of stock, breakdowns, cancellations or holdups of orders, change of work schedules or absenteeism affecting production, temporary employees in the plant will be sent home first, then probationary employees in the plant will

be sent home, and then employees with the least seniority in the affected job classification will be sent home. A reasonable effort will be made to find the employee available work prior to sending the employee home.

Section 9: The Company will follow the Job Assignment Procedure in offering daily assignments to employees who have worked in the last one (1) calendar month. The Company shall notify employees who have not been assigned a job in accordance with the Job Assignment Procedure for daily assignments for one (1) calendar month or more of a job assignment under the Job Assignment Procedure **first by telephone and, if the Company is not able to contact the employee by telephone (by being spoken to or by leaving a message), second** by registered mail letter to the employee's last known address. If the employee does not both contact the Company and inform the Company of his/her availability for work within seven (7) calendar days of the date the registered mail letter is sent, the employee shall be considered to have voluntarily quit and shall be removed from the seniority list, unless sufficient good cause and proof is furnished to the Company of his/her inability to respond in the required time. In cases where the first employee contacted does not respond to the Job Assignment Procedure **contact by telephone** under the Job Assignment Procedure, the Company may contact the next employee under the Job Assignment Procedure until the position

is filled.

Section 10: Loss of Seniority – Any employee shall lose his/her seniority for the following reasons:

- 1) Voluntary quit;
- 2) Discharge for proper cause;
- 3) Absent for three (3) consecutive working days without notification to the Company;
- 4) Failure to work upon the expiration of an absence, unless good reason is given or circumstances are such that it is not possible for the employee to return to work or to request an extension of the leave of absence;
- 5) Failure to report availability for work within seven (7) calendar days after a registered mail letter is sent informing the employee that he/she has been assigned a job under the Job Assignment Procedure;
- 6) Seniority shall continue for any employee who has not worked under the Job Assignment Procedure or is on leave of absence for a period of time equal to his/her seniority or a period of eighteen (18) months, whichever is less.
- 7) Seniority shall continue for any employee who is absent due to work related injury for a period of time equal to his/her seniority or a period of twenty-four (24) months, whichever is less.
- 8) Failure to report to work in accordance with the Job Assignment Procedure.

Section 11: Job Bidding – Whenever new jobs in the bargaining unit are created or vacancies occur in existing jobs that the Company decides should be bid, the position will be opened for bid on a plant-wide basis. The Company's decision to bid a job will be based upon its evaluation of the current and future anticipated need for regular scheduling of the position and other business considerations. Prior to making a decision on whether to bid a job, the Company will meet with the Union. Each such vacancy and/or new job will be described (including the shift) and posted on the plant bulletin boards for five (5) full working days. Employees desiring the job shall make application on the posted notice within the five (5) day posting period. If there are no bidders, a new employee may be hired from the outside. Jobs listed in Department 20 will not be posted for bid.

The Company shall also provide a telephone voice message on the Company telephone system of all bids which shall include the same information contained on the job posting. Any employee interested in the job must sign the job posting within the time limits set forth in this section.

Section 11.1: Bids will be awarded by the Company based upon plant seniority within three (3) working days from completion of the five (5) day posting period. However, the successful bidder must be able and available to begin the job within fifteen (15) calendar days after the bid is awarded by the Company, failing

which the Company shall offer the job to the next most senior bidder on the posting.

Section 11.2: If an employee bids to a new job, there shall be a trial period of ten (10) working days for all jobs to determine whether the employee is qualified to perform the job. At any time before the end of the trial period, the Company may determine that the employee lacks the qualifications for the job, in which event the Company shall have the right to return the employee to the job from which he/she was transferred without loss of seniority in such job and shall offer the job to the next most senior bidder on the posting. At any time before the end of the trial period, the Company may determine that the employee is qualified and shorten the trial period. **For positions consisting of multiple jobs, the trial period shall consist of ten (10) working days for each job.**

Section 11.3: At any time during the trial period, the employee may change his/her mind and return to the job from which they bid. An employee who changes their mind as provided in this Section will not be permitted to bid on the same vacancy and/or job again for a period of ninety (90) calendar days from the date the employee returns to the job from which they bid, and the Company shall offer the job to the next most senior bidder on the posting. An employee who changes their mind as provided in this Section for the second time in a rolling twelve (12) month calendar period will not be

permitted to bid on the same vacancy and/or job again for a period of one hundred and eighty (180) calendar days from the date the employee returns to the job for the second time from which they bid.

Section 11.4: If at any time during the trial period the employee is not satisfactorily performing the work, but in the Company's opinion has the potential, he/she may be given upon the mutual agreement of the Company, the employee, and the Union, an additional ten (10) work day extension within which to qualify for the position.

Section 11.5: During the trial period, the employee shall continue to have seniority applied to the classification and department from which he/she bid from and shall not have seniority in the new job to which he/she has bid. However, at the successful completion of the trial period, the employee's seniority will transfer to the new department and classification. The employee's seniority shall thereafter, for all purposes, be governed by the employee's plant seniority.

Section 11.6: An employee who successfully completes the trial period following the bid to a new vacancy and/or job shall not be allowed to bid on any other position for a period of ninety (90) calendar days after the date of transfer.

Section 11.7: An employee may be released from a bid job provided they have held the bid position for twenty-four (24) months after the

award date for the bid job. In order to request the release from a bid job, the employee must submit a written request to the Production Manager two (2) months before the employee wants to be released. The Company will release the employee from the bid job within two (2) months after the date the employee wants to be released provided a new bid job holder has successfully completed the trial period for the bid job. An employee released from a bid job will be assigned to Department 20.

Section 12: Transfer – The Company retains the right to transfer an employee into and out of, or with various jobs and departments due to production requirements, quotas or special scheduling. Such transfers will be on a temporary basis and transferees shall receive the higher hourly rate between the two jobs for that period of time. Such transfers shall be limited to ten (10) consecutive working days for the employee out of the original job and department, but may be extended by agreement with the bargaining committee. If the Company has decided to transfer an employee out of a job in which more than one employee is assigned to work on the daily work schedule, the Company will apply the seniority rule of senior by choice/ junior by force to identify the employee to transfer. An employee transferred during the shift from their job on the daily work schedule shall be returned to such job upon completion of the transfer assignment. The Union shall be advised of all transfers on the day of the

transfer.

Section 13: Daily Assignment Preference
– Employees assigned to the same job on the daily work schedule may use seniority to select specific assignments or starting assignments for rotations provided the employee informs the supervisor before the start of the shift.

Section 14: An employee will be hired to work whatever shift is required for the available work of the Company. Employees will be assigned to work a shift based upon the bid job held by the employee and the job the employee is assigned under the Job Assignment Procedure.

ARTICLE 6

Leave of Absence

Section 1: Medical -- An employee with seniority will be granted a leave of absence for medical reasons if the absence is for three (3) consecutive work days or more and: 1) the employee contacts the Company within two (2) scheduled work days after the onset of the illness or injury, which is the reason for the leave; and 2) the employee within five (5) scheduled work days thereafter supplies the Company with a completed certification form for a serious health condition from a qualified doctor stating the reason for the leave. Such leave shall be granted for a period of up to thirty (30) calendar days and shall be renewed thereafter for a longer period of time if the employee supplies a completed certification form for a serious health condition from a qualified doctor justifying the extension. All extensions beyond the initial thirty (30) calendar days shall be subject to the second opinion, recertification, and clarification procedures for a serious health condition. If an employee fails to return at the end of the leave, he/she must secure an extension of the leave prior to the original date of expiration of the leave. Failure to do so may result in termination of employment. Upon return from a medical leave, the employee must first submit in writing an unconditional release for return to work from the attending physician. The certification form and procedures for a serious health condition will be the same form and procedures as the

Company uses for an FMLA leave.

Section 2: An employee who volunteers or otherwise enters into active service in the Armed Forces of the United States will be given a leave of absence for such period, and in accordance with any laws pertaining to such military service.

Section 3: A personal leave of absence may be granted by the Company for good and sufficient personal reasons for a period not to exceed thirty (30) days. Extensions of not to exceed thirty (30) days may be granted under unusual circumstances by mutual agreement of the parties.

Section 4: Union and Public Office -- An employee elected or appointed to the office in the local Union, International Union, National A.F.L.-C.I.O., or public office, on a full-time basis, shall, upon request, be granted a leave of absence for no more than one (1) year.

Leave of absence without pay will be granted to no more than three (3) employees for the purpose of attending Union conferences, conventions and/or meetings. Once a year, all three (3) may attend the Union conference, any other time, no more than two (2) may attend meetings or other union-related functions at one (1) time, but such trips are not to exceed five (5) working days.

Section 5: Maternity - Maternity is considered and shall be handled like any other medical leave.

Section 6: In case of death in an employee's immediate family, the Company will grant a leave of absence for three (3) working days paid at eight (8) times the applicable pay rate per day. The pay rate for an employee in a bid job is the bid job regular rate and for an employee not in a bid job is the rate for vacation pay Department 20 classification. Immediate family is defined as parents, sister, brother, parents-in-law, grandparents and grandchildren. In the case of death of an employee's spouse, child, legally adopted child or child living with employee at time of death, the Company will grant two (2) additional unpaid personal leave days contiguous to the three (3) working days paid leave. **In case of death of an employee's step-parent, the Company will grant one (1) paid funeral leave day.**

(A) Funeral leave shall be granted to employees who meet the following eligibility tests:

1. Employee is not classified as probationary.
2. Provides evidence of relationship.
3. Attends the funeral or memorial service.

(B) Employees will not be required to meet the standards of letter (A), Item 3 in the event of death of a parent, brother, sister, child or grandchild, if they reside outside the continental United States. The Company will allow two (2) working days off paid at eight (8) times the applicable pay rate per day. The pay rate for an employee in a bid job is the bid job regular rate

and for an employee not in a bid job is the rate for vacation pay Department 20 classification. The employee must provide proof of residency and relationship.

(C) If an employee works on a funeral leave paid day, the employee forfeits the funeral leave benefit for that day.

(D) Funeral leave shall not be calculated in determining eligibility for overtime pay.

Section 7: The Company and Union shall comply with the requirements of the Uniformed Services Employment and Reemployment Act for an employee who serves in the military forces covered by that federal law upon that employee's timely request to return to work under the requirements of that federal law. No employee shall lose his/her right to return to work under that federal law for a refusal to return to employment while a strike or lockout is in progress provided he/she does return to employment within fifteen (15) days of the settlement of such strike or lockout.

Section 8: FMLA Leave — The Company will grant an eligible employee a leave of absence under the Family and Medical Leave Act (FMLA) not to exceed twelve (12) weeks in any rolling twelve (12) month period in accordance with the requirements of the FMLA. An employee will be required to use only one (1) week of unused paid vacation time that was not previously scheduled to be taken at the time of the FMLA leave in connection with any

FMLA leave. When it is necessary to provide the Company with a doctor's certification under the FMLA an employee shall have the time provided under the FMLA to provide the company with a doctor's certification of FMLA condition.

ARTICLE 7

Hours of Work and Overtime

Section 1: The normal work day and work shift for first and second shift employees shall be eight (8) hours each for all employees, not including an unpaid scheduled meal period at midpoint of the work day and/or work shift. The normal work day and work shift for third shift employees shall be seven (7) hours each for all employees. The normal work week shall be five (5) consecutive days of eight (8) hours each for first and second shift employees and five consecutive days of seven (7) hours each for third shift employees, Monday through Friday, inclusive.

Section 2: There is established a forty (40) hour work week for first and second shift employees and a thirty-five (35) hour work week for third shift employees. The normal work week will begin on each Monday at the employee's established starting time and will end one hundred sixty-eight (168) hours thereafter for the purpose of computing the pay of employees and to otherwise determine the established forty (40) hours work week or thirty-five (35) hour work week.

Section 3: Overtime - For first and second shift employees, overtime at the rate of time and one-half (1-1/2) shall be paid for all hours worked in excess of eight (8) hours per day, for all hours worked after the employee has worked forty (40) regular hours in the work week, and

for all hours worked on Saturday. For third shift employees, overtime at the rate of time and one-half (1-1/2) shall be paid for all hours worked in excess of seven (7) hours per day, for all hours worked after the employee has worked thirty-five (35) regular hours in the work week, and for all hours worked on Saturday. However, if the Company, the Union, and the unit employees who are working agree, the parties may establish, on a week-to-week basis, a different "normal work day" and/or "normal work week" for the determination of overtime pay, for any work to be performed during the summer. There shall be no duplication or pyramiding of hours worked for overtime calculation.

Section 3.1: Overtime at the rate of double time will be paid for all hours worked on Sunday and all hours worked on a holiday in addition to holiday pay. For the purposes of computing overtime, holiday pay shall be counted as hours worked and individual days of vacation pay shall be counted as hours worked.

Section 3.2: Subject to the provisions of this Section, the Company shall have the right to schedule daily overtime to meet production needs. Whenever such daily overtime is needed on a job classified as a bid job by the Company, the Company shall, no sooner than the beginning of the shift and no later than six (6) hours after the beginning of the shift, offer the available overtime first to those persons working in the bid position where the overtime is required; second to any available "extra" bid holders of

the bid position requiring overtime; and third to any available qualified employees in the plant. A qualified available probationary employee will not be offered such daily overtime until the overtime is offered to available qualified employees in the plant. A qualified available temporary employee will not be offered such daily overtime until the overtime is offered to available qualified employees in the plant and to available qualified probationary employees in the plant. For purposes of this Section 3.2, available means an employee who has the same ending time for the shift and job where the overtime is required.

If not enough qualified employees accept the offer for daily overtime in a bid job, the employees shall be required to perform the overtime in the following order: first, employees working the bid positions where the overtime is required, by reverse order of seniority (i.e. the least senior being forced before the more senior); second, available "extra" bid holders of the bid position requiring overtime, in reverse order of seniority; and third, available qualified employees in the plant, in reverse order of seniority.

Whenever such daily overtime is needed on a non-bid position job by the Company (i.e. Department 20), the Company shall, no sooner than the beginning of the shift and no later than six (6) hours after the beginning of the shift, offer the available overtime first to those persons working in the specific job assignment

where the overtime is required; second to available qualified non-bid position holders in the plant; and third, to any available qualified employees in the plant. A qualified available probationary employee will not be offered such daily overtime until the overtime is offered to available qualified employees in the plant. A qualified available temporary employee will not be offered such daily overtime until the overtime is offered to available qualified employees in the plant and to available qualified probationary employees in the plant. For purposes of this Section 3.2, available means an employee who has the same ending time for the shift and job where the overtime is required.

If not enough non-bid position (i.e. Department 20) employees accept the offer for daily overtime, the employees shall be required to perform the overtime in the following order: first, employees working in the specific job assignment where the overtime is required, by reverse order of seniority (i.e. the least senior being forced before the more senior); second, to available qualified non-bid position holders in the plant, by reverse order of seniority, and third, to available qualified employees in the plant, by reverse order of seniority.

Section 3.3: Subject to the provisions of this Section, the Company shall have the right to schedule weekend overtime to meet production needs. Whenever the need for such weekend overtime is decided, the Company will provide appropriate notice. If the timing of the weekend

overtime decision allows, the Company will post the weekend overtime notice by Thursday, at 12:00 noon. If the timing of the weekend overtime decision does not allow the Company to post the weekend overtime decision by Thursday at 12:00 noon, the Company will post the overtime notice as soon as possible after the decision to work weekend overtime is made. The weekend overtime notice will specify which departments require weekend overtime, and a weekend overtime sign-up sheet will be posted with the weekend overtime notice. An employee will be permitted to sign-up for weekend overtime and to indicate which departments and which jobs (in order of preference) the employee is willing to work. The weekend overtime sign-up sheet will be taken down at 10:00 a.m. on Friday. In the event more employees than required sign-up for weekend overtime, the weekend overtime will be offered, based upon the employees' sign-ups, first, to employees holding bid jobs requiring weekend overtime, such employees will be required to work the bid job, and then to those qualified employees for the job for which the employee signed up, according to seniority, regardless of shift.

If not enough qualified employees accept the offer for weekend overtime in a bid job, the employees shall be required to perform the overtime in the following order: first, employees holding the bid positions where the overtime is required, by reverse order of

seniority (i.e. the least senior being forced before the more senior); and second, available qualified employees in the plant, in reverse order of seniority.

If not enough qualified employees accept the offer for weekend overtime in a non-bid position, the employees shall be required to perform the overtime in the following order: first, to available qualified non-bid position holders in the plant, by reverse order of seniority (i.e. the least senior being forced before the more senior); and second, to available qualified employees in the plant, by reverse order of seniority.

For weekend overtime, bid holders will be allowed to work in positions other than their bid job provided there are more qualified employees signed up for their bid position than required for the weekend overtime work schedule.

Section 4: Shifts - The Company many times operates more than one shift. When more than one shift is scheduled, the shift start times shall normally be between 5:00 a.m. and 7:00 for first shift and between 1:30 p.m. and 3:30 p.m. for second shift, and 10:00 p.m. and 12:00 a.m. for third shift. The meal period provided in Section 5 of this Article shall normally be around 12:00 p.m. on first shift, around 8:00 p.m. on second shift, and around 4:00 a.m. on third shift.

Any changes in the above will be by mutual agreement. Paychecks will normally be

distributed to the employees of the second and third shifts on Thursday nights of the pay week, if possible. Paychecks for the first shift will normally be distributed before the afternoon break on Friday of each pay week. Paychecks will be distributed weekly.

Section 5: Meal Period - A daily one-half ($\frac{1}{2}$) hour meal period of non-compensatory time will be available for first and second shift employees. Unless mutually agreed to by the affected employees and the Company, it is not possible to shorten a work day by foregoing the meal period or to lengthen the meal period by taking a break and a meal period together. For third shift employees, the two fifteen (15) minute paid breaks under Section 6 may be combined to provide a thirty (30) minute compensatory period for meals when mutually agreed to by the employees of the third shift and the Company. The Company and Union agree that machines may be run on a continuous operation by rotating meal periods.

Section 6: Breaks - There shall be two (2) fifteen (15) minute paid breaks during each shift, one approximately two and one-half ($2\frac{1}{2}$) hours before and one approximately two (2) hours after the meal period. Employees required to wash tools for icing color changes during breaks shall be paid time and one-half ($1\frac{1}{2}$) their regular hourly rate for that time. **An employee will receive compensation for the second paid break provided the employee works at least six and one-half ($6\frac{1}{2}$) hours**

during the shift.

Section 7: Except when caused by an act of God, major casualty not due to any condition within the plant, or power failure outside the plant, with no opportunity having been had to get word to the employees before starting time, any employee who reports for work shall either be given a minimum of four (4) hours work or four (4) hours pay at base rate, unless he/she was previously notified not to report to work or employee volunteers to go home.

Section 8: Wage and/or rate changes may be made any time during the life of this Agreement and it is agreed that no changes in rates or methods of pay shall be made except by mutual agreement between the Company and the Union. A copy of the Wage Payment Plan in effect, together with a copy of all existing rates, shall be furnished to the Bargaining Committee of the local Union.

Section 9: Wages, incentive systems, and the job classification and Wage Rate Schedule are attached hereto as Exhibit "A" and made a part hereof.

Section 10: If members of the Bargaining Committee or stewards are incentive-paid employees, they will be paid one hundred fifteen (115) percent of their regular hourly rate of pay while on approved, legitimate Union business on Company time. Otherwise, they will be paid at their regular hourly rate of pay.

ARTICLE 8

Holidays

The following days only shall be recognized as paid holidays (for all employees except probationary employees): New Year's Day, Good Friday, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, the day after Thanksgiving, Christmas Eve and Christmas Day.

Section 1: When a holiday falls on a Sunday, the following Monday shall be considered the holiday. Should the following Monday also be a holiday then that holiday shall be observed on the following Tuesday. When a holiday falls on a Saturday, the prior Friday will be considered the Holiday. Should the prior Friday also be a holiday then that holiday shall be observed on the prior Thursday.

Section 2: To receive pay for the holiday, the employee must satisfy both of the following conditions: 1) the employee must have earned wages within the thirty (30) calendar days before and within the thirty (30) calendar days after the holiday; and 2) the employee worked on his/her last scheduled work day prior to the holiday and on his/her first scheduled work day after the holiday, unless the failure to work the next scheduled work day before or after such holiday is caused by any one of the following reasons:

1) Personal illness (including a Workers' Compensation injury or illness) or illness in the immediate family;

2) Vacation;

3) Jury duty or reporting to be a witness under subpoena;

4) Death in the immediate family or approved absence to attend a funeral;

5) Union business if directly related to this plant;

6) Reasonable causes as approved by supervisors. In order for the above to apply in Section 2, the employee must work a minimum of six (6) hours on the day before and/or the day after the holiday. Reasonable causes shall be defined as anything the supervisor considers as appropriate or legitimate as an excuse for time off on the day before or the day after the holiday.

The Company may require proof for each of the above reasons.

Section 3: Each employee eligible for holiday pay shall be paid for each holiday an amount equal to eight times the bid job regular rate for an employee in a bid job and eight times the rate for the vacation pay Department 20 classification for all employees not holding a bid job.

Section 4: Any employee who is required to work on a holiday shall be paid double an amount equal to his/her hourly rate for an average work day.

ARTICLE 9

Vacation

For vacation purposes, the calendar year in which the employee is working to earn vacation and vacation pay is the "calculation year" and the calendar year which immediately follows the calculation year is the "vacation year" during which an employee actually takes vacation and receives vacation pay.

Section 1:

<u>Seniority</u>	<u>Vacation Time Pay</u>
Less than 1 year (October - December)	1 day (8 hours)
Less than 1 year (July - September)	2 days (16 hours)
Less than 1 year (April - June)	3 days (24 hours)
Less than 1 year (January - March)	4 days (32 hours)
1 year but less than 2 years	5 days with pay (40 hours)
2 years but less than 3 years	6 days with pay (48 hours)
3 years but less than 4 years	7 days with pay (56 hours)
4 years but less than 5 years	8 days with pay (64 hours)
5 years but less than 10 years	10 days with pay (80 hours)
10 years but less than 15 years	13.5 days with pay (108 hours)
15 years but less than 20 years	15 days with pay (120 hours)
20 years but less than 25 years	18 days with pay (144 hours)
25 years or more	20 days with pay (160 hours)

Section 2: Each employee eligible for vacation and holding a bid job shall be paid the bid job regular rate and for an employee not holding a bid job shall be paid at the rate for vacation pay Department 20 classification when vacation hours are taken. The vacation year is from January 1 through December 31. All vacations must be taken during the vacation year. Vacations are not cumulative.

Section 3: An employee with one year or more seniority shall receive vacation pay based

on the number of hours worked during the calendar year prior to the anniversary date set forth in Section 2 hereof, in accordance with the following schedule:

1700 or more hours worked	100% of vacation allowance
1600-1699 hours worked	95% of vacation allowance
1500-1599 hours worked	90% of vacation allowance
1400-1499 hours worked	85% of vacation allowance
1300-1399 hours worked	80% of vacation allowance
1200-1299 hours worked	75% of vacation allowance
1100-1199 hours worked	70% of vacation allowance
Less than 1100 hours worked	% of total hours worked compared to 1700 hours

An employee with less than one year of seniority shall receive vacation pay based on the greater of a 50% allowance or an allowance based on the percentage of total hours worked during the calendar year prior to the anniversary date set forth in Section 2 hereof compared to 1700 hours.

An employee shall schedule his/her allotted vacation time subject to Company approval in eight (8) hour increments. The employee must give the Company twenty-four (24) hours notice. Pay for an individual day of vacation will be paid the week following the week the day of vacation was scheduled. An individual day of vacation will be approved on a first come, first approved basis.

An employee with five (5) years or more of seniority on January 1 of a vacation year will be eligible to receive a vacation year bonus payment of \$25.00 in the last pay period of the vacation year provided the employee has

worked 1100 hours during the calculation year.

Section 4: The Company retains the right to shutdown the plant at any time for vacation purpose. The Company shall give the Union not less than thirty (30) days prior notice as to any such shutdown. If there is such a shutdown, employees who have more than five (5) days vacation forthcoming, may take those days at any time mutually agreed to with their supervisor.

Section 5: Employees who quit without five (5) working days written notice, or employees who are discharged for stealing, sabotage, insubordination or other just cause, shall forfeit their vacation.

Section 6: All time lost due to holiday pay, vacation pay, and all regular time paid for by the Company shall be counted as time worked. Any employee who has worked at least four hundred twenty-five (425) hours during the calendar year mentioned in Section 3 and has time lost due to an industrial illness or injury in the vacation year will have such lost time counted as time worked toward qualifying for vacation pay. No vacation credit will be given for time while an employee is on leave of absence, layoff, or union business. Service in the Armed Forces of the United States and jury duty shall not interrupt continuity of service with the Company for the purposes of computing vacation eligibility.

Section 7: The Company will provide a list

by January 10 of each year of all vacation hours for that vacation year.

Section 8: Employees will be paid vacation benefits even though time off for vacation is not taken.

Section 9: Employees will be permitted to receive vacation pay when it is taken, provided: 1) two (2) weeks notice is given to the Company prior to the start of vacation; and 2) the vacation is for five (5) days or longer.

Section 10: Employees who die, become permanently disabled or enlist in military service during a vacation year prior to taking their vacation shall receive the vacation pay earned during the previous calculation year based on the employee's seniority.

ARTICLE 10

Jury Duty

Section 1: Any employee who is called for jury service shall be paid the difference between his/her jury pay and his/her regular earnings for all time lost from work. For employees holding a bid job the regular earnings shall be based upon the bid job regular rate and for an employee not holding a bid job the regular earnings shall be based upon the rate for the vacation pay Department 20 classification for the number of hours necessarily lost on such jury duty. If a first or second shift employee called for jury duty reports for such duty and is not used in a jury, or is excused by the court during the making up of the jury, then such first or second shift employee shall, with due diligence, report for work at the plant at the beginning of his/her shift for a second shift employee and for the balance of his/her shift for a first shift employee. If a first or second shift employee called for jury duty actually serves on a jury, then such employee is not required to report for work on the day of such actual jury service. If a third shift employee called for jury duty reports for jury duty service, then such employee is not required to report for work on the day of such reporting for jury service.

ARTICLE 11

Insurance

Section 1: The Company agrees to provide the following insurance coverage to employees:

A) Health Insurance

The Company agrees to provide a comprehensive group health insurance program to employees that are not covered under any other policy. **The current group health insurance program is the Blue Access Option D57 with Rx Option 8. For the duration of this Contract, the Company will pay a 75% share of the monthly premium for both family and single coverage and charge the remaining 25% share of the monthly premium for the appropriate coverage to the employee. The Company will meet annually with the Union to inform and provide written information to the Union of the premium amounts for both family and single coverage under the then current group health insurance program. The employee's share of the monthly premium will be deducted on a pretax IRS Section 125 basis in equal weekly amounts. This group health insurance is available when there is no other insurance coverage available to the employee through a working spouse. The Company will continue to have the right to unilaterally select a**

different insurance carrier or a different group insurance program to fill the comprehensive group health insurance requirements after consultation with the Union. The Company will give the Union a thirty (30) day notice if it unilaterally selects a different insurance carrier or a different group insurance program. The Company and the Union will participate in investigating other insurance carriers in an attempt to obtain insurance coverage within the premium structure provided above. The Company and Union will attempt to find the best insurance coverage available with the best benefit levels possible within the premium structure above. **The current Blue Access Option D57 with Rx Option 8 will continue to be the group insurance program through June 30, 2014. The current family and single employee weekly contributions will continue through June 30, 2014.**

1) Qualifications

The requirements for eligibility for the Company subsidized group health insurance program under the previous Agreement will continue until December 31, 2013. Effective January 1, 2014, in order to be eligible for the Company subsidized group health insurance program, an employee must be paid a minimum

of **one hundred thirty (130)** hours for the month (vacation hours and holiday hours count as hours **paid**). If for any **reason** an employee fails to be **paid** the minimum of **one hundred thirty (130)** hours in any month, the employee will continue to be eligible to participate in the Company subsidized group health insurance program **for that initial month of not being paid one hundred thirty (130) hours and for three (3) additional months**. When an employee is **no longer eligible to participate in the Company subsidized group health insurance program**, the employee will be eligible to receive a notice of that employee's opportunity and right to continue coverage under the Company's group health insurance program in accordance with the requirements of the Consolidated Omnibus Budget Reconciliation Act ("COBRA").

- 2) The Company and the Union recognize that certain modifications to this group health insurance program may be required to comply with the **requirement and costs under the Patient Protection and Affordable Care Act (PPACA)** and related regulations.

- (a) The Company agrees that it shall meet and discuss with the Union any required modifications **in the**

group health insurance program and the statutory or regulatory basis for such modifications, and that the Company shall solicit the Union's input and opinions on any such required modifications prior to the implementation of any such required modifications to this **group health insurance program**.

(b) If the Union concludes that any such modifications to this group insurance program implemented by the Company exceed the requirements of PPACA **and related regulations** or violate this Contract, then the Union has the right to pursue a grievance under Article 4 challenging the modification.

B) Life Insurance - \$19,000 through end of Contract.

C) Accidental Death and Dismemberment - \$19,000 through end of Contract.

Section 2: Employees on leave of absence or on leave for their own convenience will pay for their own health insurance until they return or quit.

Section 3: If an employee fails to continue his coverage at the end of the Company paid period, and later returns to work, the Company shall not be liable for any claims that may arise until the new Company paid coverage for such employee becomes effective.

Section 4: Through the duration of this Contract, the Company shall pay the premium for a sickness and accident policy that shall provide the following benefits and be subject to the following conditions: the benefits shall be payable in the amount of **\$200** per week, but not to exceed twenty-six (26) consecutive weeks for any incident of sickness and accident disability. The benefits shall commence on the first day of any confinement in a hospital, or on the fourteenth (14th) day of any illness or injury.

ARTICLE 12

General

Section 1: The Company and the Union reserve the right to publish notices and bulletins at any time not inconsistent with the terms of this Agreement, and there shall be conspicuously placed, a bulletin board for the Union's use only -- one (1) in each employee's entrance. The Company and the Union each agree with the other not to post or permit to be posted, anywhere on the Company property, political notices or propaganda of any kind, or material of a derogatory or scurrilous nature concerning either the Company or the Union, or the officers or agents of either.

Section 2: The Company and the Union have discussed plant rules, which shall be distributed to all employees and posted on Company bulletin boards. In accordance with Article 1, Section 7, the Company has the right to revise and implement new plant rules during the term of this agreement. The Company understands that such plant rules shall be reasonable and no plant rules shall be in direct derogation of the express terms and provisions of this Agreement.

Prior to implementing any revised plant rules during the term of this Agreement, the Company will meet with the Union to review the proposed new plant rules and consider any Union comments on such new plant rules prior to implementing the new plant rules. The Union reserves the right to file a grievance challenging

the reasonableness of any new plant rule if it desires to do so.

Any discipline or discharge shall be reasonable and for just cause, and no employee shall be discharged without a prior review of the facts involved between the Company and a representative of the Union Bargaining Committee. Any employee believing himself/herself wrongfully disciplined may file a grievance.

Section 3: A Health and Safety Committee shall be established and meet monthly to review the issues impacting the safety and health of employees at the plant. This committee shall be composed of three (3) Company and three (3) Union representatives, with each party responsible for appointing their representatives.

Section 4: Any employee injured while at work to the extent that a doctor's care is required, shall be furnished transportation by the Company to and from the doctor's office, and the employee shall be paid his regular rate of pay during such absence. Any employee who is injured while at work, and as a result is sent home by the Company or the Company doctor shall be paid at his/her regular earned rate for the balance of that day.

Section 5: The Company and the Union each expressly covenants with the other that during the term of this Agreement, there shall be neither lockout, recriminations, slowdowns, sitdowns, other interference with operations,

or strikes (sympathetic or otherwise), and that the Company shall have the right to discharge, subject to review under the Grievance Procedure, any employees taking part in or responsible for any such violation.

Section 6: The Company shall implement and administer a controlled substance and alcohol policy, which is contained in a separate document negotiated between the parties, no sooner than July 1, 1996, provided ten (10) days written notice of the effective date of this policy is given to the bargaining committee prior to the effective date of the policy.

Section 7: This Agreement shall become effective and shall remain in full force and effect until midnight of May 31, 2016, inclusive, and shall automatically renew itself from year to year thereafter, unless at least sixty (60) days before the termination date or anniversary day of this Agreement, either party gives notice to the other of the desire to amend, add to, or terminate this Agreement.

If such notice is given, the parties shall within a reasonable time thereafter, enter into negotiations concerning such request.

Executed this the 7th day of October, 2013.

SIGNATURES

FOR THE COMPANY:
Decko Products, Inc.

By

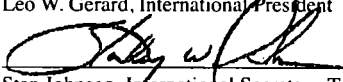

Rob Simonton

By


Kevin Hemmer

FOR THE UNION:
BY USW:


Leo W. Gerard, International President


Stan Johnson, International Secretary-Treasurer

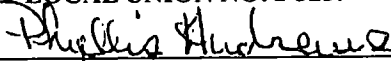

Thomas Conway, Vice-President (Administration)


Fred Redmond, Vice-President (Human Affairs)


David McCall, Director District V


Christopher Martinez, USW Staff Representative

BY LOCAL UNION NO. 1-525:



Phyllis Andrews, President



Marla Tucker, Vice-President

EXHIBIT "A"

Wage Rate Schedule

WAGES: The starting rate for all employees shall be **\$9.00** per hour effective the first pay period after **August 16, 2013**. Effective **August 16, 2013**, the following hourly wages shall be paid to employees who have completed their probationary period:

	August 16, 2013	June 1, 2014	June 1, 2015
Department 10 - Utility			
Utility Relief	\$11.69	\$11.92	\$12.16
Department 15 - Kitchen			
Kitchen Tech	\$13.27	\$13.54	\$13.81
Department 20 - Production Pool			
GA	\$10.83	\$11.05	\$11.27
Board Maker	\$10.63	\$10.84	\$11.06
Pack Out - Tubing 1	\$11.14	\$11.36	\$11.59
Pack Out - Tubing 2	\$11.14	\$11.36	\$11.59
Pack Out - Tubing 4	\$11.14	\$11.36	\$11.59
Pack Out - Tubing 3	\$11.32	\$11.55	\$11.78
Vacation Pay	\$11.26	\$11.49	\$11.72
Department 21 - Wrapper			
Wrapper	\$11.14	\$11.36	\$11.59
Eye Letter	\$11.38	\$11.61	\$11.84
Department 25 - Machine Operator			
CCD Machine Operator	\$10.78	\$11.00	\$11.22
Department 50 - Stockroom			
Stockroom Leader	\$11.69	\$11.92	\$12.16
Department 300 - Tubing 1			
Mixer	\$11.35	\$11.58	\$11.81
Large Scale	\$11.14	\$11.36	\$11.59

Machine Operator	\$11.55	\$11.78	\$12.02
Icing Pump	\$10.71	\$10.92	\$11.14

Department 320 - Tubing 2

Sparkle Gel Cook	\$13.54	\$13.81	\$14.09
Machine Operator	\$11.55	\$11.78	\$12.02

Department 330 - Tubing 3

Cook	\$12.73	\$12.98	\$13.24
Machine Operator	\$11.55	\$11.78	\$12.02

Department 340 - Tubing 4

Mixer	\$11.35	\$11.58	\$11.81
Large Scale (high volume batches)	\$11.24	\$11.46	\$11.69
Machine Operator	\$11.55	\$11.78	\$12.02
Icing Pump	\$10.71	\$10.92	\$11.14
Small Scale	\$11.14	\$11.36	\$11.59
Sugar Scoop	\$11.35	\$11.58	\$11.81

Department 2020 - Tub 1

Tub - Scaler	\$11.22	\$11.44	\$11.67
Tub - Mixer	\$12.24	\$12.48	\$12.73
Pack Out - Tub	\$11.14	\$11.36	\$11.59
Utility Relief - Tub	\$11.69	\$11.92	\$12.16
Group Leader	\$1.00 over the employee's bid job rate.		

SHIFT PREMIUMS

1ST SHIFT	BASE RATE
2ND SHIFT	BASE +.25
3RD SHIFT	BASE +.25

1) The incentive rates are as set forth in separate Schedules for each incentive job.

2) A training rate of seventy-five cents (\$0.75) per hour over the base rate for the CCD machine on which the employee is being trained will be paid to the employee being trained. A trainer

rate of \$12.00 for the CCD machine or the actual incentive rate earned whichever is higher will be paid to the employee who is the trainer.

A trainer's position shall not constitute a Daily Assignment Preference opportunity.

The Company has the option of not filling the vacancy created by the absence of a trainer.

3) Making sample machine candy card items by hand will be paid at the base rate plus seventy-five cents (\$.75) per hour, or at the Employee's rate that they would have made that day had they worked in their normal job assignment, whichever is higher.

4) An employee performing tool testing will be paid a tool testing rate of \$12.00 (CCD machine) or the actual incentive rate earned, whichever is higher.

EXHIBIT "B"

Incentive Work

Section 1: Incentive compensation is a premium paid for the application of skill and effort above normal. A properly designed incentive system will result in increased production and efficiency, increase the earnings of employees and reduce the costs of the Company. The development of any new incentive system shall be at the sole discretion of the Company.

Section 2: All incentive rates will be adjusted annually during this contract in accordance with the annual increases in base rates.

Section 3: The present incentive systems for jobs established in this Contract may be revised during the term of this Contract to lower or to raise the standards on a job when there has been a measurable change, or an accumulation of changes resulting in a measurable change, made in method, product, quality, equipment or working conditions for a job. The Company shall have the authority to reevaluate the job or jobs affected and establish a new incentive system standard that is appropriate given the measurable change.

Section 4: Before implementing any new incentive system or revising any incentive system standard by increasing it during the term of this Contract, the Company will meet with the Bargaining Committee to discuss the basis for the new or changed incentive system and

to obtain their ideas and input on the new or changed incentive system. The Company will further meet with the Bargaining Committee and employees covered by the new or changed incentive system to explain the new or changed incentive system standard prior to the effective date.

Section 5: All incentive systems are set so as to allow employees a reasonable earning opportunity.

Section 6: All incentive systems shall allow for time lost due to breakdowns, lack of materials or other such delays, and employees in such incentive systems shall be paid for such time at their basic hourly rate. Such time shall not be averaged with the employee's incentive system time. (This formula is $[\text{units produced} \div \text{non-down time hours}] \times 8 = \text{incentive units}$. The incentive units are compared to incentive rate schedule to determine incentive hourly rate. The day's earnings are then determined by the incentive hourly rate times the non-down time hours plus the base hourly rate times down time hours.)

Section 7: All incentive earnings shall be computed separately on each job or operation on a daily basis. Earnings on one job or one day may not be averaged with or applied to any other job or any other day. An employee will be guaranteed his hourly rate for all time worked on each individual job.

Section 8: For the purpose of this Section,

the phrase "excessive scrap" shall mean any scrap which exceeds 5% of the employee's production for the day in question. Any employee who produces excessive scrap shall receive a written notice of that fact. A second written notice of excessive scrap within forty-five (45) workdays of a preceding notice shall result in the employee's incentive pay for that day's production being adjusted so that the number of scrap parts in excess of 5% is not counted in that day's production. By way of example, an employee who produced 5,000 parts, with a scrap level of 8% (i.e., 150 scrap parts more than 5%), shall be compensated under the Incentive Schedule at the rate of 4,850 parts produced.

